

# 2013 SCAG Jobs & Labor Summit

## Convergence of Interest

(Why policy, labor and business leaders all benefit from new jobs)



June 20, 2013 San Bernardino, California



# Great Recession of the late 2000's

- \* California lost 869,400 jobs 2007-2010
- \* Southern California lost 574,400 jobs (66% of job loss statewide)
- \* IE saw job losses in excess of 145,000 in 3+ years
- \* IV stable in terms of total jobs but added 20%+ to overall labor force
- \* Foreclosures all time high (CA, SoCal, IE, IV)
- \* Consumer Spending (aka Sales Tax) plummeted

# Business Flight from California



From 2007-10, 2,550+ businesses with >3 employees left California to... Oregon, Washington, Arizona, Texas, Florida...



# What did/does the Great Recession Look Like?



# Outfall from the Great Recession

- \* **Policy (Government)**, loss of revenue along with increasing demand for services. The result, less with less and in some cases BK.
- \* **Labor**, simply stated... folks lost jobs, and too many people lost everything.
- \* **Business**, lost money and in too many cases, lost everything.

# Light at the end of the Tunnel?



# Job Creation Solves Many Problems

- \* **Policy:** Jobs means more tax revenue and less demand for social services
- \* **Labor:** Jobs means more members, more revenue and an increasing middle class
- \* **Business:** Jobs means more demand for goods, services and development product

# Unemployment At A Glance

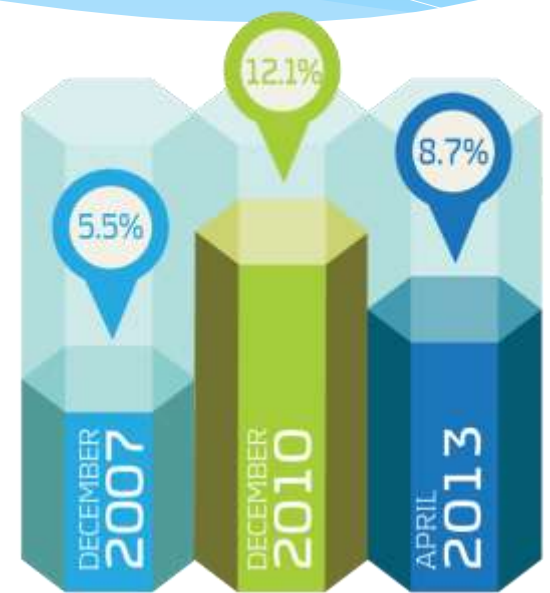
UNITED STATES



CALIFORNIA



SCAG REGION



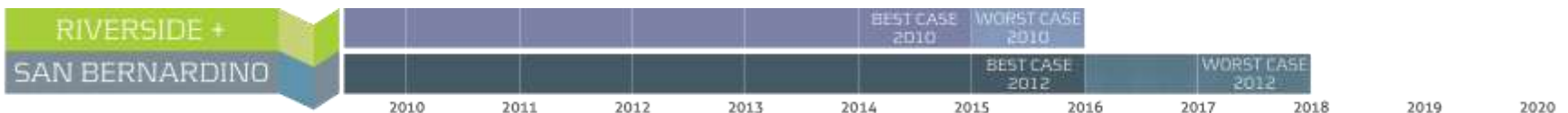


# Riverside & San Bernardino Counties

RIVERSIDE

SAN BERNARDINO

- Unemployment still highest of metro areas of 1 million+.
- 58% of job decline from construction industry.
- Home sales come back to 1998 levels.
- Large gap between new vs. existing home price (\$295k / \$187k).
- Logistic jobs are coming back (4,500 new in 14 months).
- Healthcare immune in recession continues to add jobs.
- Rural parts of region = construction wind/solar projects.
- Recovery continues to be slow due to housing crisis.



# Current Job Creation

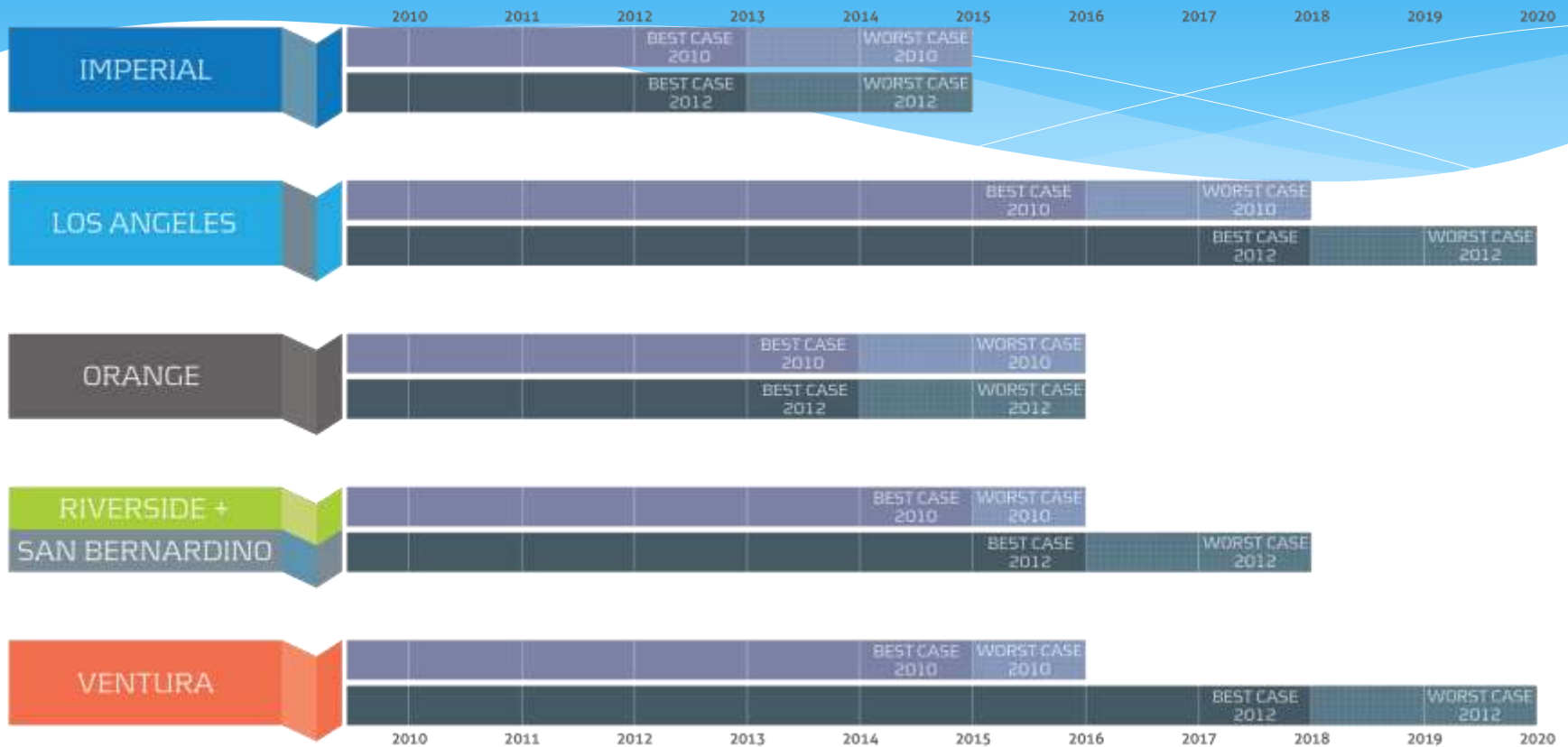
- \* **Inland Empire** (28,000 in last year)

- \* Healthcare
- \* Logistics/Distribution/Warehousing
- \* Restaurant (Eating & Drinking)
- \* Management & Professional

- \* **Imperial Valley** (1,000 in last year)

- \* Mining
- \* Transportation
- \* Education
- \* Hospitality

# When Will We Recover Lost Jobs?



# Setting the Stage for Discussion

- \* Our economy is slowly recovering (slowly)
- \* There is no economic silver bullet to propel the economy forward
  - \* Industrial Revolution
  - \* Post War (II) Consumerism
  - \* Baby Boom
  - \* Technology Revolution
  - \* Consumerism Part 2 (9/11)
- \* What can our policy, labor and business leaders do to accelerate recovery?

# This is what Economic Recovery Looks Like!







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